ESC BRIEFING

3 June 1959

## INDONESIA

- I. Refusal of Constituent Assembly to approve Sukarno's demand for return to 1945 Constitution creates political stalemate.
  - A. Constitution, which Sukarno had requested as part of his concept of "guided democracy," would increase executive authority at expense of political parties and parliament; army also would have gained political power and prestige.
  - B. Immediate cause of rejection was issue trumped up by Moslem parties that 1945 Constitution does not give sufficient guarantees to Islamic religion.
    - They demanded amendment to this effect which Sukarno unwilling to grant.
  - C. Paradoxically, Communist party was only one giving wholehearted support.
    - Commiss felt impelled to support Sukarno temporarily on this issue to avoid alienating him.
- II. Initiative now lies with army and President Sukarno.
  - A. Sukarno, who will arrive Tokyo on 6 June on one of last stops on his round-the-world trip, will be briefed there by high government official.
  - B. Army leaders have for some time hinted they would take action to put constitution into effect if necessary; army sources report Army Chief of Staff General Masution has nationwide efficer support for such move.

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- C. Premier Djuands warned Constituent Assembly 27 May that failure to accept constitution might precipitate "undesirable events" similar to those which "have taken place in neighboring countries" -- thinly veiled warning of army coup.
- D. Army chief Masution banned all political activity throughout

  Indonesia as of 3 June. 25X1X4
- 25X1X4 Claims Magution intends over next few weeks to assume nearly all power by issuing further decrees. There is to be no coup as such.
  - 2. However, Essution may have imposed ban to prevent political agitation during present period of critical decision.
- E. Always possible further attempts at compromise will be attempted by Prime Minister Djuanda and Moslem party leaders.